

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1492 - HB 1703

February 18, 2018

SUMMARY OF BILL: Authorizes an owner or operator of a motor vehicle with an illuminated malfunction indicator lamp (MIL) at the time of testing to have the option of electing a tailpipe emissions test in lieu of an onboard diagnostic (OBD) test. The proposed legislation will be effective on January 1 following the date on which the United States Environment Protection Agency (EPA) approves a revised state implementation plan (SIP) consistent with the proposed legislation.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – To the extent the Environment Protection Agency amends the state implementation plan to allow for tailpipe testing, the cost of implementing the tailpipe test would be passed on from the emissions testing vendor to motor vehicle owners and would not significantly impact state or local expenditures.

Assumptions:

- Federal regulations require light duty motor vehicles after 1996 to have an OBD system. According to the Department of Environment and Conservation (TDEC), approximately 95 percent of motor vehicles tested have an OBD system.
- Tailpipe tests are no longer available at emission testing facilities.
- The proposed legislation will not become effective until the EPA approves a SIP consistent with the proposed legislation. TDEC would have to request the amendment to the SIP. Upon such an amendment being approved, the tailpipe test would be made available to motor vehicle owners.
- According to TDEC, the vendor with which TDEC and Metropolitan Government of Nashville and Davidson County contract would bear the cost of implementing the tailpipe test.
- The vendor would pass this cost along to motor vehicle owners and not the state or Metro Nashville.
- To the extent the EPA approves an amendment to the SIP, the proposed legislation will not significantly impact state or local expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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